

# **FY 2007 FINANCIAL TREND ANALYSIS**

## **FINANCIAL REVIEW – Prior Budgets**

**Gallatin County, Montana**

**February 21, 2007**

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### **II. Review of Prior Budgets**

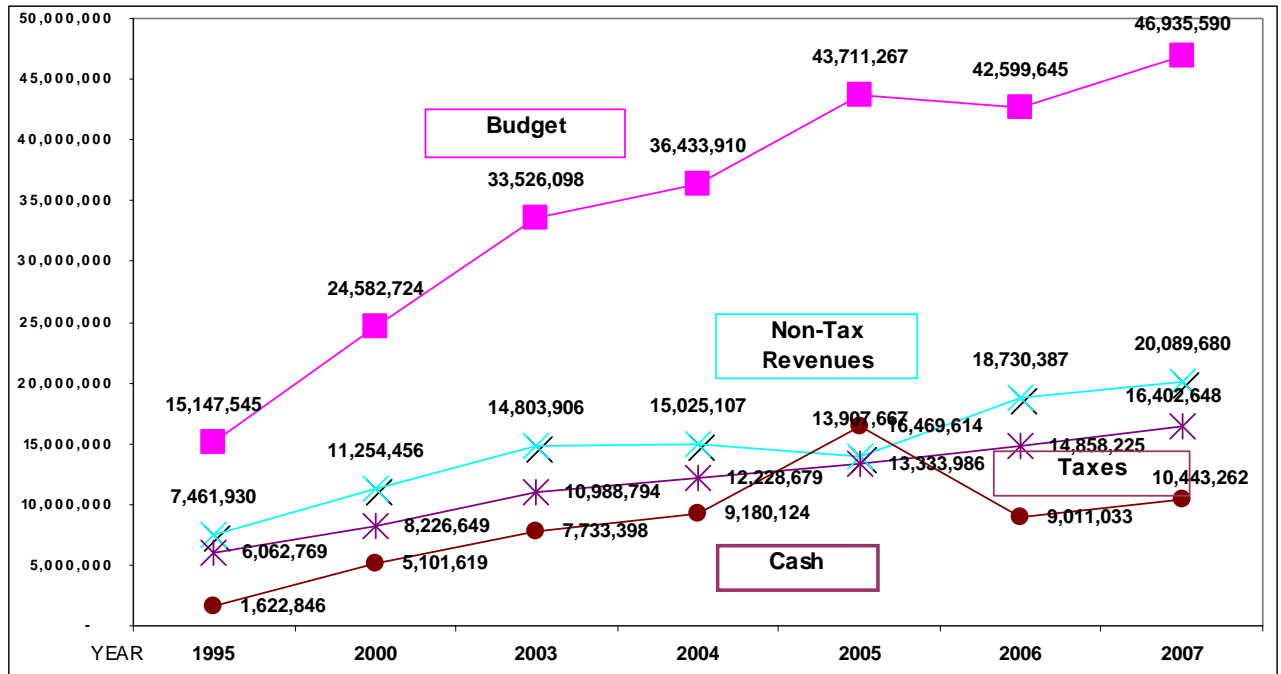
<b>Recap of Changes to Budgets</b>	<b>20</b>
<b>Expenses:</b>	<b>20</b>
<b>Personnel</b>	<b>21</b>
<b>Operations</b>	<b>26</b>
<b>Debt</b>	<b>28</b>
<b>Capital</b>	<b>30</b>
<b>Revenues:</b>	<b>32</b>

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## Budgets Vs Actual We spend less than budgeted. We receive more than we estimate.

Gallatin County prepares an annual budget that by State law is balanced with all revenues plus unreserved cash equal to approved expenses. Cash greater than Operating Reserves pay for a major portion of the budget. As budgets become tighter, cash carry over will decrease. The following table shows 6 years of actual information, plus the current year's budget for major tax funds.

### Type of Expenditure Comparison Budget Factors – County Milled Funds



To provide historical perspective, the following section reviews changes in Personnel, Operations, Debt and Capital. The review includes table and graphic presentations for changes in Personnel. The following table shows changes in percentages between Personnel, Operations, Debt and Capital, from 1998 to FY 2007.

<u>YEAR</u>	<u>Personnel</u>	<u>Operations</u>	<u>Debt</u>	<u>Capital</u>
1998	52.96%	34.88%	3.31%	8.85%
2000	48.46	31.08	1.96	18.50
2003	39.96	32.51	2.46	25.07
2004	40.37	30.64	3.71	25.29
2005	37.95	33.00	2.95	26.09
2006	45.23	26.94	3.70	24.14
2007	43.73	26.99	4.09	25.19

Personnel costs for governments are always a major percentage of total costs. Gallatin County is no exception, however the County has seen a significant decrease in the percentage personnel costs are to total county expenses. In 1998, Personnel equaled 52.96% of the budget. For FY 2007 this was reduced to 43.73%

# Gallatin County Financial Plan

## PERSONNEL:

The following table recaps personnel budget for each County Department since 1995.

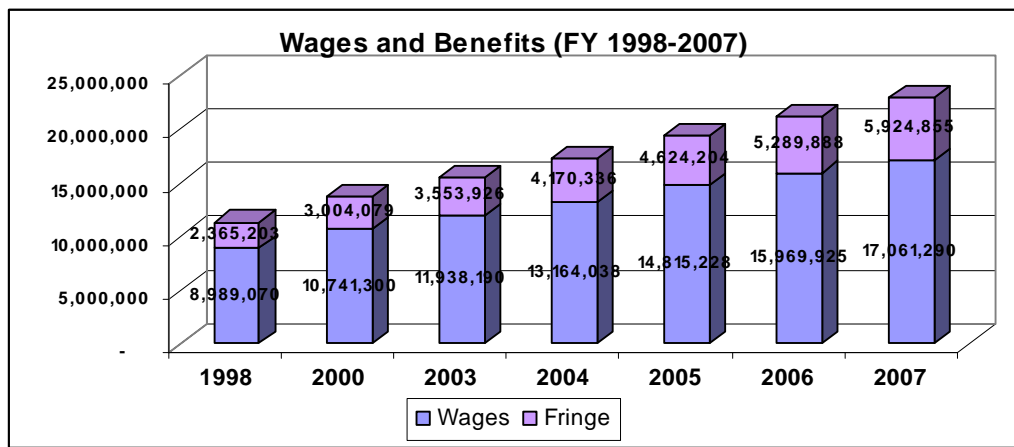
Budgeted Positions FY 95 Through FY 07							
Department	FY 95	FY 00	FY 03	FY 04	FY 05	FY 06	FY 07
	BUDGET						
COMMISSION	4.00	5.00	6.00	6.00	5.00	5.00	5.00
CLERK & RECORDER	14.00	14.45	15.50	16.00	16.00	16.00	16.67
TREASURER'S	13.00	15.00	16.00	17.20	17.20	17.21	17.21
AUDITOR	2.00	2.60	3.00	3.00	3.00	2.50	2.00
I.T.S.	4.00	7.00	7.00	7.00	7.00	7.00	7.00
ATTORNEY	11.00	11.50	10.50	13.00	17.40	16.80	17.00
VICTIM WITNESS	1.00	2.00	2.00	2.00	2.00	2.00	2.00
JUSTICE COURTS	6.50	7.50	8.50	10.00	10.00	10.75	11.00
HUMAN RESOURCES	3.00	3.25	4.00	5.00	5.00	5.00	5.75
COUNTY ADMINISTRATIVE OFFICE	-	-	-	-	2.00	1.50	1.58
FINANCE OFFICE	1.00	1.50	2.00	2.00	2.00	2.00	2.00
GRANT ADMINISTRATION	-	1.50	2.00	2.00	2.00	2.00	2.00
G.I.S.	-	2.00	2.75	2.75	2.75	3.00	4.00
COMPLIANCE OFFICE	-	-	-	1.00	1.00	0.90	1.09
SUPERINTENDENT OF SCHOOLS	2.00	2.00	2.00	2.00	2.00	2.25	2.00
COURT SERVICES	-	-	-	-	6.00	8.50	10.31
PLANNING	5.00	7.00	9.00	9.00	9.00	9.00	10.00
MISCELLANEOUS	-	0.25	0.25	0.25	0.25	0.25	0.25
SHERIFF	33.90	36.00	41.50	42.40	43.30	47.58	51.35
SHERIFF - Grants	3.00	4.00	5.43	4.00	4.00	4.00	4.00
DETENTION	23.00	21.00	23.50	27.40	33.25	36.00	32.92
CORONER	0.60	0.60	0.60	0.60	0.60	0.60	0.60
JOINT DISPATCH	20.50	22.18	28.59	28.50	28.50	28.00	28.00
ROAD MAINTENANCE	26.00	25.11	25.39	26.40	26.40	26.60	27.64
BRIDGE	7.00	7.36	7.36	7.60	7.60	7.36	7.36
NOXIOUS WEED	1.50	2.00	2.00	2.50	2.50	2.00	2.50
FAIR GROUNDS	4.00	5.00	6.00	7.00	8.50	8.00	9.34
CLERK OF DISTRICT COURT	9.00	10.00	12.00	13.00	13.00	14.17	15.00
DISTRICT COURT #1 & #2	6.00	8.00	3.00	2.50	-	-	-
YOUTH PROBATION	5.00	6.00	-	-	-	-	-
PUBLIC DEFENDERS	-	-	-	5.32	10.00	11.00	-
CITY/COUNTY HEALTH	1.00	1.59	1.69	1.69	2.00	2.00	3.00
ENVIRONMENTAL HEALTH	6.00	9.41	11.31	11.31	11.00	11.50	11.06
HUMAN SERVICES	5.87	7.18	6.31	8.25	8.78	8.03	6.85
HUMAN SERVICES - GRANTS	10.55	9.97	10.39	11.56	11.49	12.24	11.61
EXTENSION AGENTS	3.00	3.50	3.50	3.50	3.50	3.75	4.00
REST HOME	89.18	108.09	88.15	76.21	80.50	90.30	89.80
FACILITIES	2.00	2.50	3.62	3.62	3.62	4.62	3.62
OTHER	5.97	4.00	6.00	8.50	10.00	9.48	18.34
<b>TOTAL</b>	<b>329.57</b>	<b>376.03</b>	<b>376.85</b>	<b>390.07</b>	<b>418.14</b>	<b>438.89</b>	<b>443.85</b>

During this time Personnel has grown from 329.5 in FY 95 to 443.85 for FY 07 (34.6% increase). Population from FY 95 to FY 2005, the last year population estimates are available, grew from 59,273 to 78,210, (32% increase). Departments added include County Administrator 1.58 FTE; Grant Administration 2.00 FTE; G.I.S. 4.00 FTE; Compliance 1.00 FTE; Court Services 10.31 FTE, and Joint Dispatch 8 FTEs. In addition, positions funded by Contracts or Grants have increased as follows: Victim Witness 1, Airport Security 4, Big Sky Law Enforcement 3, and Health Grants 1.5 FTE. Departments Eliminated during this time include Youth Probation and District Court. Without these new service areas, employees increased by 23.60%.

### **COMPARISON 10 YEARS – BUDGETED WAGES AND BENEFITS:**

The following graph shows the growth in wages and benefits from FY 1998 through the FY 2007 Budget. The growth comes from four areas. They are:

- 1) Population – as stated previously, population, in the county, has grown by 32%. A significant difference between the 1998 population to the new population, shows the people coming into the area have a higher expectation of services from local government. This relates to increased demand for services than previously seen in the county.
- 2) Inflationary Increases – indicates costs increased at 25.55% from January 1, 1998 through December 31, 2006;
- 3) Contractual / Grant obligations – the previous page shows the number of positions increased due to contractual / grant obligations as being 9.5 Full time equivalents; and,
- 4) Local Economy – the economy of the county has dramatically changed requiring payment of higher wages and salaries to retain and recruit qualified employees in all positions.



The four factors stated above result in an increase of \$8,070,220 in wages and \$3,559,652 for Benefits for Gallatin County. This equals an 89.78% increase in wages and 150.50% increase in benefits.

Benefits increased greater than wages primarily from an increase in Health insurance from \$1,860 in 1998 to \$6,055/FTE in 2007, a 225% increase. Other factors negatively impacting FTE benefits include a doubling of Unemployment Insurance by the state and increases in Worker's Compensation rates. Fringe Benefit Costs have increased from 26.31% of wages / salaries in 1998 to 34.75% of wages / salaries in 2007.

The County has implemented cost control measures to reduce future increases in Health Premiums. They include early prevention activities, well childcare, payment for flu shots, rewards for staying healthy, Health Fair, doubling of deductibles, and other similar cost reduction actions.

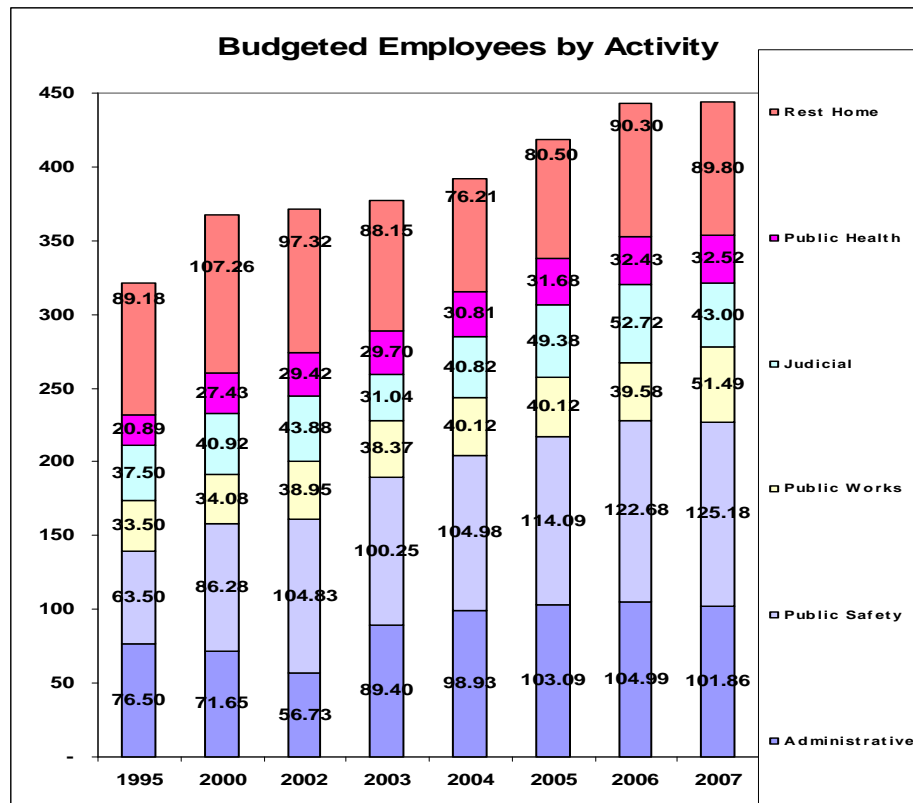
# Gallatin County Financial Plan

## Historical Staffing Levels:

### Full Time Employees graphed By Activity

The impact on staffing has changed over the last eight years. The County is experiencing growth unseen in the last 60 years. The increase in population has brought a knowledgeable resident that is accustomed to a higher level of service than previous residents. The new residents want and expect some or all of the services they previously received to be available **now, with no increase in taxes.** New residents tend to think they are already paying for this higher level of service, and cannot understand a need to increase taxes to support their demands.

Unfortunately staffing levels, graphed below, have not allowed a significant expansion to service levels.



The Budgeted Employees by Activity graphed above shows a 34.67% increase in staff from FY 95 through FY 2007. As stated in previous sections, population of the county has grown from 59,273 in 1995 to a projected 83,356 in FY 07, a 40.63% increase. In addition, the personnel numbers shown above are misleading because of new programs being added to the County. New programs included Enhanced 9-1-1 (22 employees), Grants Department (2), Geographic Information Services Department (4), Court Services (10), Victim Witness (2) Compliance (1), County Administrative Office (2), and grants/contracts associated with the Health, District Court and Sheriff Offices (16). Without these new services employee numbers increased by 23.6%

In comparing departments existing in FY 95 to the number of employees those departments have in FY 07, approximately 14.35% comes from new employees, with a number of offices having the same number of employees as in FY 95. This compares to a 40.63.5% increase in population.

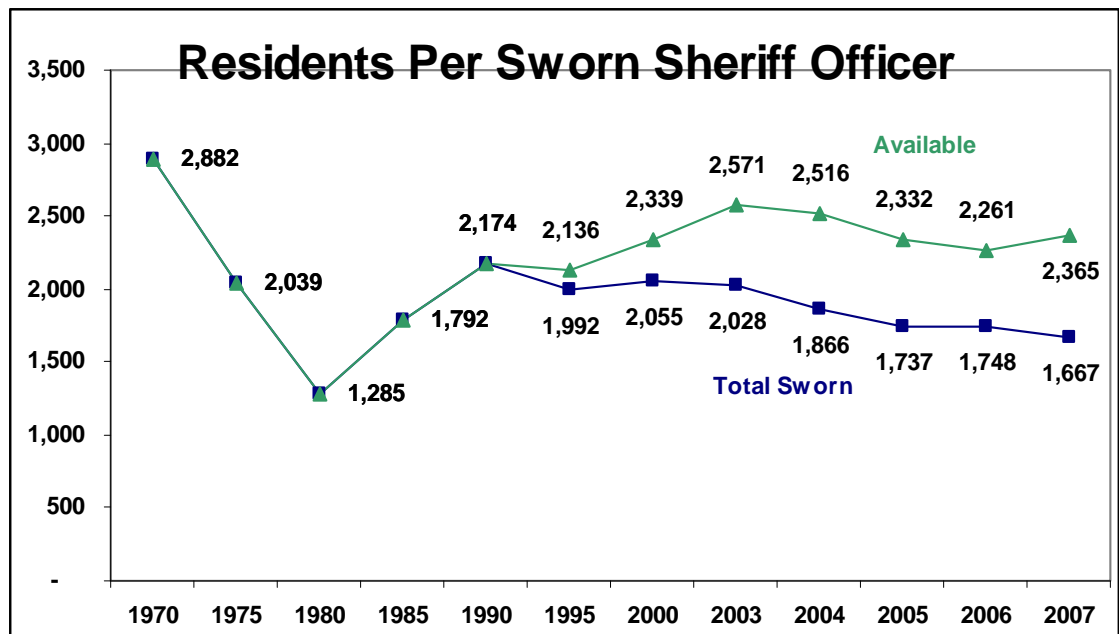
**So a question continues - Are Core County services actually maintaining service levels to the residents of the county based on population?**

### Sheriff Sworn Officers -----

In evaluating this question, we need to look closer at the preceding graph. It shows Public Safety employees increasing from 64.54 in FY 95 to 137.53 in FY 2007. With sworn officers increasing from 30 in FY 95 and to 50 for FY 2007, a 66.67% increase.

As stated before, this is misleading. The Sheriff must assign deputies funded by grants or contracts such as (1) Freedom From Fear, (2) Missouri River Drug Task Force, (5) Big Sky Resort/Madison County, (1) Detention Center Administrator and (4) Airport security, to do the tasks required by the grant or contract. These sworn officers are not available for normal patrol duties. The number of deputies available for normal activities is 37, a growth of 7 (23%) with population growth being 40%.

Currently, each of the AVAILABLE sworn-officers is protecting over 2,365 residents, plus their proportionate share of tourists. The following graph shows the historical number of residents per sworn officer, from 1970 to the 2007 Budget.



The increase in the number of Public Safety employees comes from combining the City and County Dispatch and Records and implementation of Enhanced 9-1-1. This increased the number of employees from 7.50 in FY 96 to 21 employees in FY 2007. The addition of new activities paid from grants or contracts added 14 full time employees.

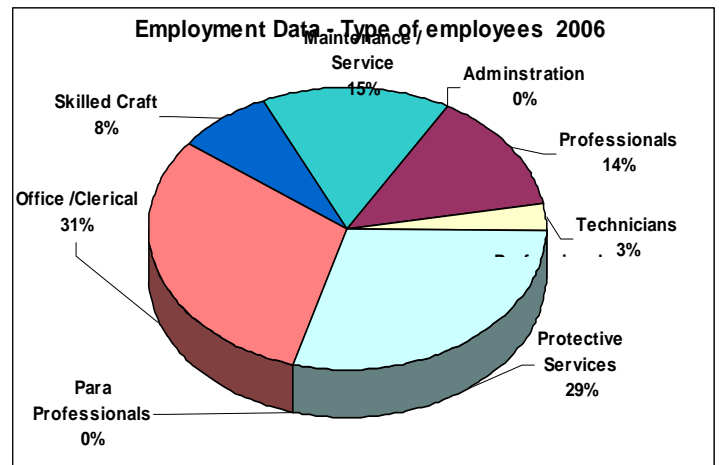
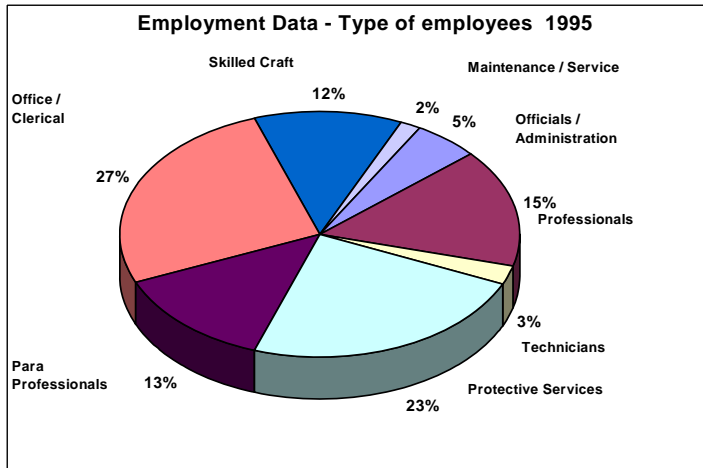
In addition, grant revenues tend to decrease over time or not fully support the cost of the activity through Administrative Costs, Capital Costs and Operating costs. This results in increased Public Safety Revenues being earmarked to support the grant activities. A good example is for FY 08 the Missouri River Drug Task Force will see a significant decrease in Board of Crime Control funding, unless the state replaces federal funds. This may require the elimination of this activity or the funding of part or all of the two deputies and one support staff from County Sources.

# Gallatin County Financial Plan

## Changes in Type of Personnel

The two graphs that follow are taken from the EEO report prepared by the County Human Resources Office on a yearly basis. The report shows the type of Personnel per the June 30 payroll. The two graphs are from the 1995 and the 2006 EEO reports.

The graphs do not include seasonal, part-time or temporary employees. The graphs show a change in employment type from Para-Professional to Office /Clerical and Maintenance. With Law Enforcement's percentage increasing by 6% between the two years.



The EEO report includes the number of "New Hires During the Fiscal Year" - regular employees only. In FY 95 the County hired 52 employees, FY 99 - 56, FY 01 - 82, FY 02 - 70, 73 for FY 03, 61- in FY 04, 77 - for FY 05 and for FY 06 - 65.

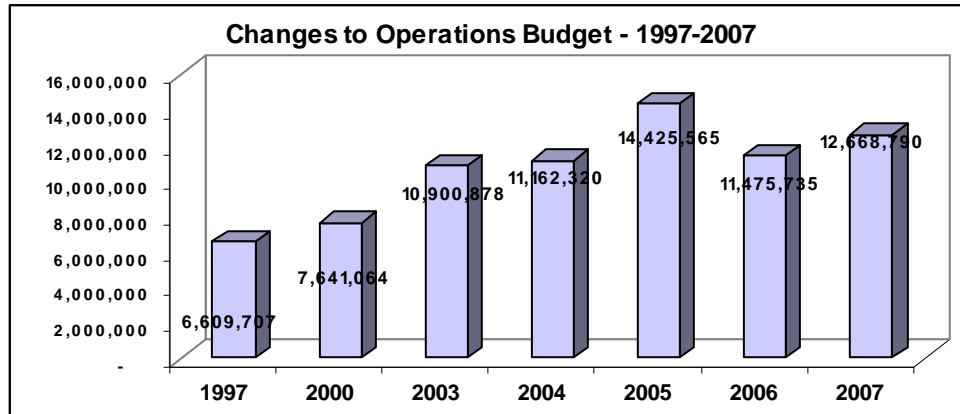
The following table shows successfully hired employees by type in each year:

	FY 95	FY 02	FY 03	FY 04	FY 05	FY 06
<b>Officials Administrators</b>	4	4	1	0	1	0
<b>Professionals</b>	11	7	9	13	13	9
<b>Technicians</b>	1	3	2	0	0	2
<b>Protective Services</b>	7	16	22	12	20	19
<b>Para-Professional</b>	10	-0-	-0-	1	-0-	-0-
<b>Administrative / Support</b>	13	24	24	25	21	20
<b>Skilled Craft</b>	6	2	7	5	9	5
<b>Maintenance/ Service</b>	0	14	8	5	13	10
<b>TOTAL</b>	52	70	73	61	77	65

This completes a review of Personnel, Employer Contributions and Wages. The next area reviews changes in Operations over the last 10 years.

## OPERATIONS:

Operational costs, as can be seen in the graph below, have a great degree of variance from year to year. The significant increase of \$2.7 million in FY 2005 is attributed to the sale of county property and the transfer of the revenue generated from the General Fund to the Capital Projects fund.



Overall, operating costs have not kept up with the rate of inflation, when new programs or mandates are taken into consideration. The new programs or mandates include Court Services \$135,000, Re-Entry \$286,000, Detention Center inmates at other facilities \$600,000, Detention Center Medical \$260,000, Transfer for Fund Close out \$856,000 and Rest Home Bed Tax to State of Montana \$257,508.

Operating Costs have grown from \$6.6 million in 1997 to \$12.6 million in 2007. This is a 90% increase over 11 years. Inflation has grown at 32%, with Population increases at 26%. Areas that have seen the largest change include:

**FUEL / INSURANCE:** The following is a comparison of Fuel and Insurance costs for the Road and Sheriff Departments during this period of time:

<u>YEAR</u>	<u>ROAD</u>		<u>SHERIFF</u>	
	<u>Fuel</u>	<u>Insurance</u>	<u>Fuel</u>	<u>Insurance</u>
1997	100,882	41,377	34,486	25,230
2000	115,661	40,338	47,072	49,207
2003	139,220	45,735	65,195	49,785
2004	163,753	53,098	74,608	72,853
2005	222,899	55,931	89,320	72,900
2006	298,306	59,990	110,150	74,051
<b>Budget 2007</b>	300,000	62,754	110,000	81,794
<b>Percent Change 97-06</b>	<b>195%</b>	<b>45%</b>	<b>219%</b>	<b>194%</b>

The table shows fuel costs have increased over 200%, even with increased fuel-efficient engines. A partial factor may be an increase in the fleets, but this only accounts for a part of the increase. The change in Insurance is variable because law enforcement costs increase at a faster percentage than other areas due to recognition of risk.



# Gallatin County Financial Plan

**Utilities** – Cost of Utilities have seen a significant increase in the last 7 years, with the biggest increases to be felt in FY 07. The Information that follows show the changes in the Road, Fair and Facilities gas and electric costs for the period FY 2000 through FY 2006 for actual expenses and the FY 2007 Budget:

	Road	Fair	Facilities
2000	12,433	42,049	125,471
2001	16,479	54,985	146,394
2002	14,609	50,345	141,620
2003	15,774	52,692	152,332
2004	24,435	63,654	195,020
2005	23,715	62,332	210,247
2006	29,831	82,801	251,801
FY 07 Budget	34,000	72,400	411,687
change 00-06	140%	97%	101%
change 00-07	173%	72%	228%

**Contracts** – Detention medical costs have increased dramatically during this period. Costs for FY 2000 are higher than the periods before and after due to a claim costing over \$80,000. Without this claim cost have increased by 229%. Costs from FY 2004 forward include a contract for a Physician Assistant, Registered Nurse and professional support at the Detention Center. This has helped control costs and decreased problems with inmates.

	Detention Medical	Library Contracts	Senior Programs	Mental Health
2000	165,010	445,290	107,508	50,481
2001	79,015	487,400	116,957	50,463
2002	141,357	519,089	117,508	76,415
2003	171,332	545,043	139,301	79,831
2004	197,535	546,678	149,185	99,000
2005	214,265	571,678	150,905	195,000
2006	281,094	598,544	165,890	199,727
FY 07 Budget	260,000	627,541	193,858	224,000
change 00-06	70%	34%	54%	296%
change 00-07	58%	41%	80%	344%

Library Contracts have increased based on taxable valuation changes. The amount shown does not include the county's repayment of up to \$140,000 per year for the library loan. This loan was used to support construction of the new library in Bozeman, expansion of the Belgrade Library, move to new location for the West Yellowstone Library and capital improvements in the Manhattan and Three Forks Libraries.

Senior Programs have increased by taxable valuations plus costs that were justified. These include transportation costs associated with the Galavan and West Yellowstone Galavan programs, expansion of Senior programs to maintain them during times of static support from other areas.

Mental Health support has expanded significantly from FY 2000 when support was limited to \$1 per person based on the 1990 Census. Today, County support includes the allocation of \$1 per person based on the 2000 Census, plus \$100,000 for crisis stabilization, and weekend coverage and \$30,000 for Adult Case Management. Support also includes \$24,000 per year for youth needs.

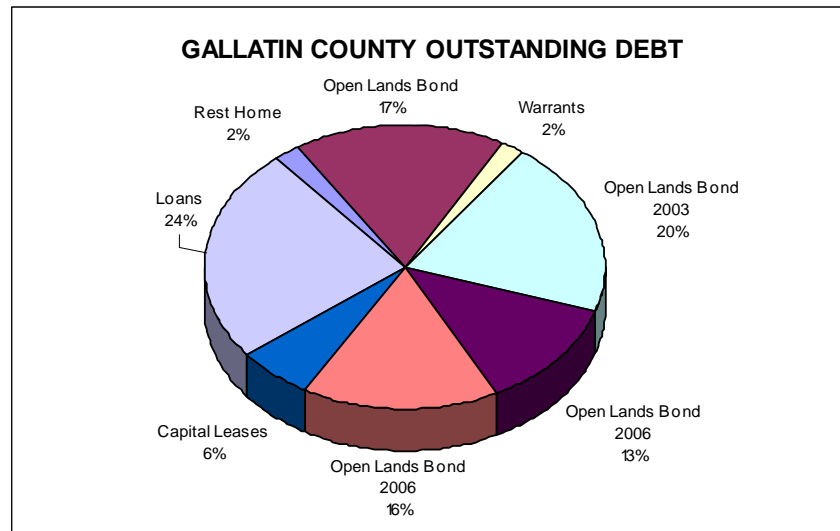
The next section will cover changes in Debt for the County.

### DEBT:

Gallatin County is relatively debt free. County Voters have approved 3 bond issues in the last 20 years. They are - Rest Home for \$1,490,000 in 1989, Open Space in 2002 for \$10,000,000 and Opens Space in 2005 for \$10,000,000. Voters rejected two bond proposals for a new Detention Center. Standard and Poor's gave the County an A+ rating which projects a positive financial standing of the county.

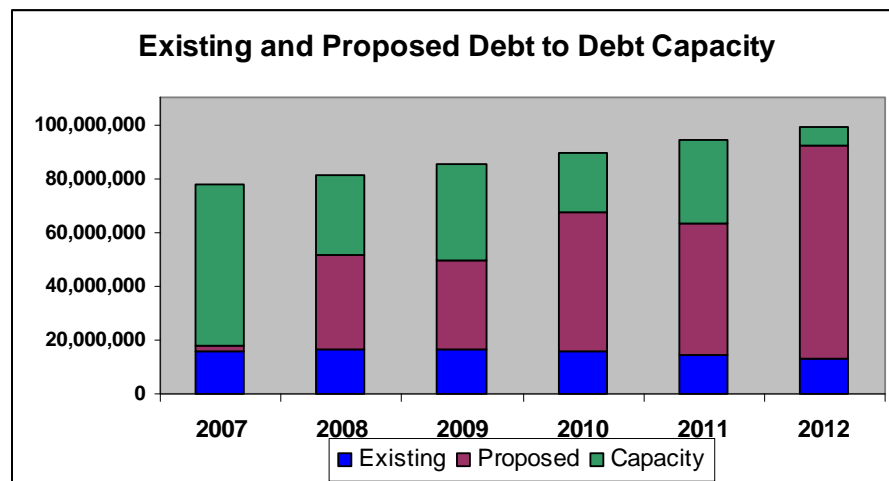
### Outstanding Debt

Below is a pie chart representing the county's outstanding indebtedness by purpose. Despite several categories of outstanding debt reflected, Gallatin County actually has a relatively low level of outstanding debt, which is more fully described below & on the next page.



### Debt Capacity

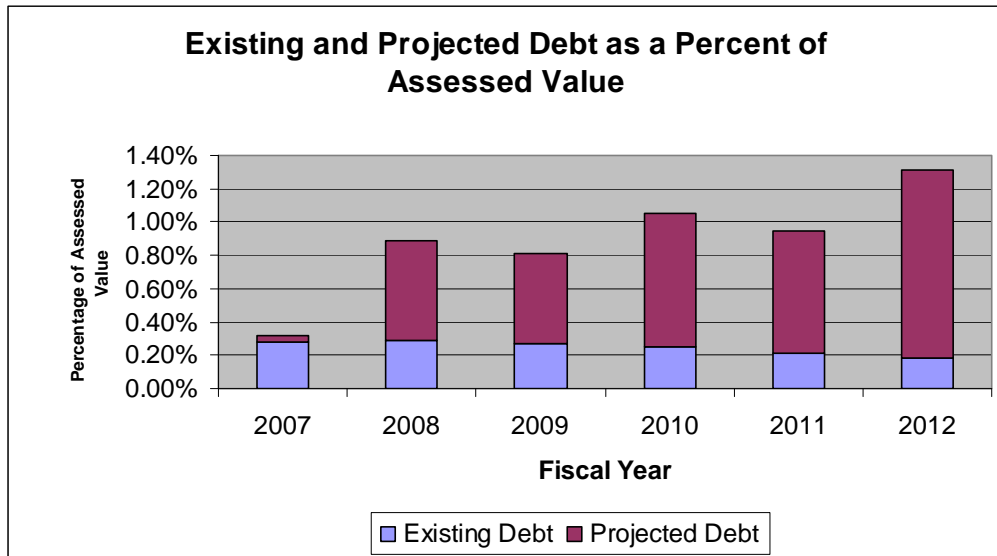
The following bar chart shows the county's existing debt, possible debt, and a projection of the county's projected debt capacity (legal debt limit) for the budget year and five years beyond. The graph shows that, even if all possible bond issues were approved, the county could have debt capacity remaining. Provided voters approve debt requests, projects are funded as recommended and appraised values increase as estimated. This reflects the philosophy of the County Commission to hold down the level of debt on taxpayers, despite the county's rapid development and growing population.



# Gallatin County Financial Plan

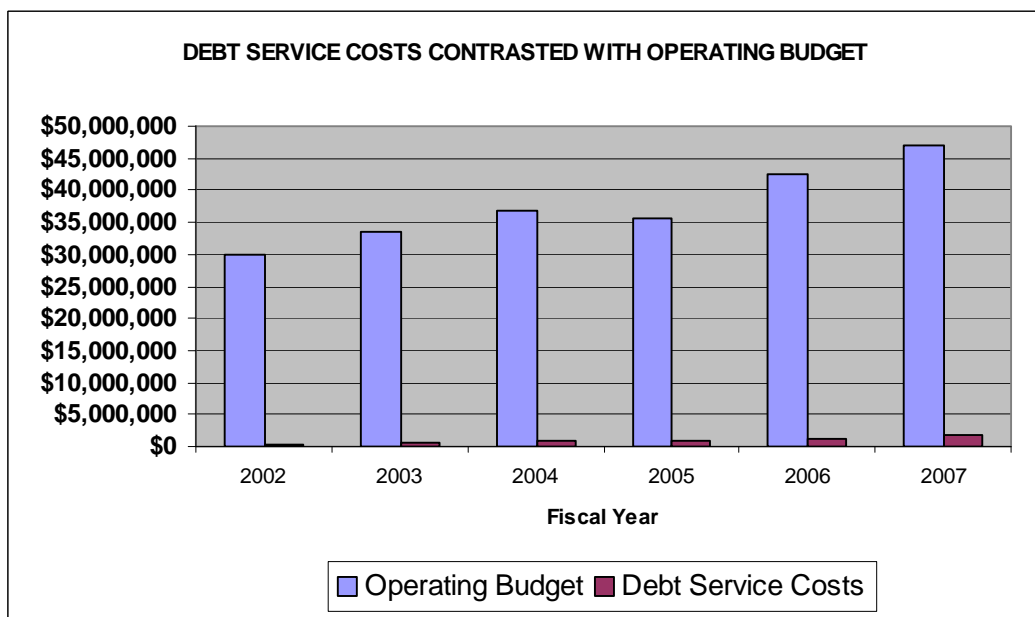
## Debt as a Percentage of Assessed Value

The graph below shows County debt as a percentage of assessed valuation. In essence, this reflects the county's debt as compared to the wealth of the county. This shows the proposed new debt in relation to the outstanding debt—both within the 1.40% Assessed value of the County.



## Debt Service Costs Contrasted with the County's Operating Budget

Another way Rating agency's look at County's is to compare the Debt payments (principal and interest) to the total Operating Budget to see if an entity is carrying a high debt load. The graph below illustrates the County's debt in relation to its operating budget. Debt payments by the county are a small fraction of its operating budget. This reflects the County's efforts to keep debt service payments at a manageable level.



### CAPITAL:

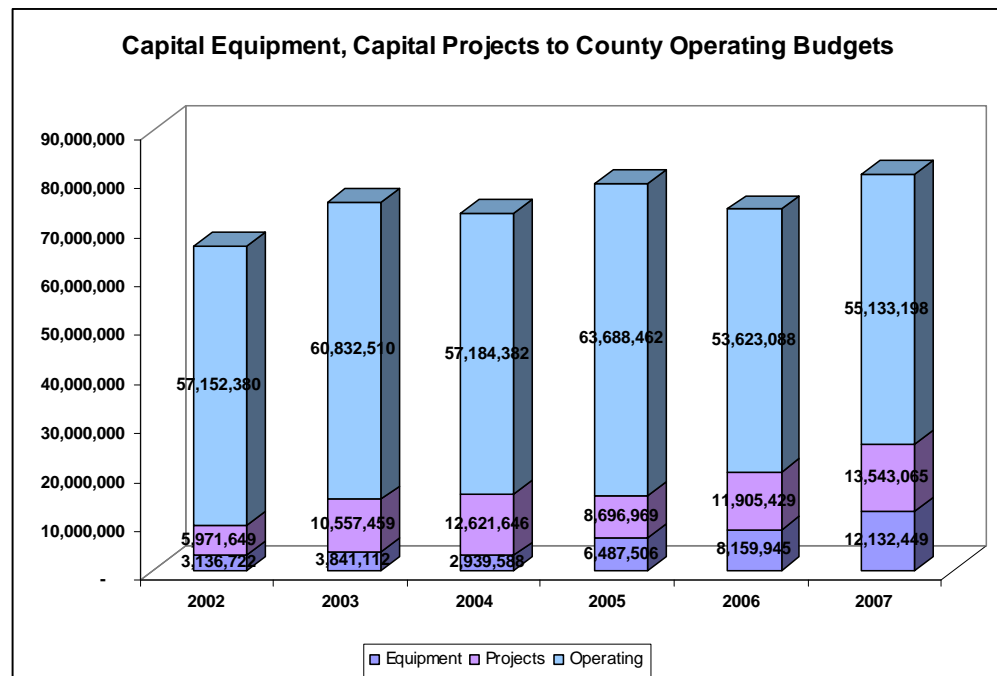
Gallatin County is committed to the adequate funding of the capital needs of departments and facilities. This is a major change from 10 years ago when capital equipment was replaced on an intermittent basis with little consideration to a systemic replacement schedule. The County now has replacement schedules for a significant number of ongoing capital needs. The Sheriff's vehicle schedule is funded on a 4-5 year schedule, Computers are on a 4 year schedule, Computer infrastructure (routers, controllers, servers) are on a 5-6 year schedule, copiers are on a copy replacement schedule, road graders are on a 5 year lease program, and the County Voice/Data (VOIP) system is on a 5-8 year replacement schedule.

To insure consideration of all costs associated with discussion on new positions the county now requires requests for new positions to include Personnel, Operations, Space and Capital costs for each position. This has allowed the County Commission to look at the potential total costs for a position instead of having to fund operations and capital needs associated with positions on a piece-meal basis.

### CAPITAL EXPENDITURES CONTRASTED WITH TOTAL COUNTY OPERATING EXPENDITURES

The investment by the county in its capital and infrastructure is of primary importance to insure the long-term viability of service levels. The amount of capital expenditures in relation to the total county budget is a reflection of the county's commitment to this goal.

Gallatin County strives to provide for adequate maintenance of facilities / equipment and for their orderly replacement. The graph below illustrates Gallatin County's historical investment in capital. The graph depicts actual capital expenditures and capital projects as part of the county budgets. The graphs show budgets over the last six years.



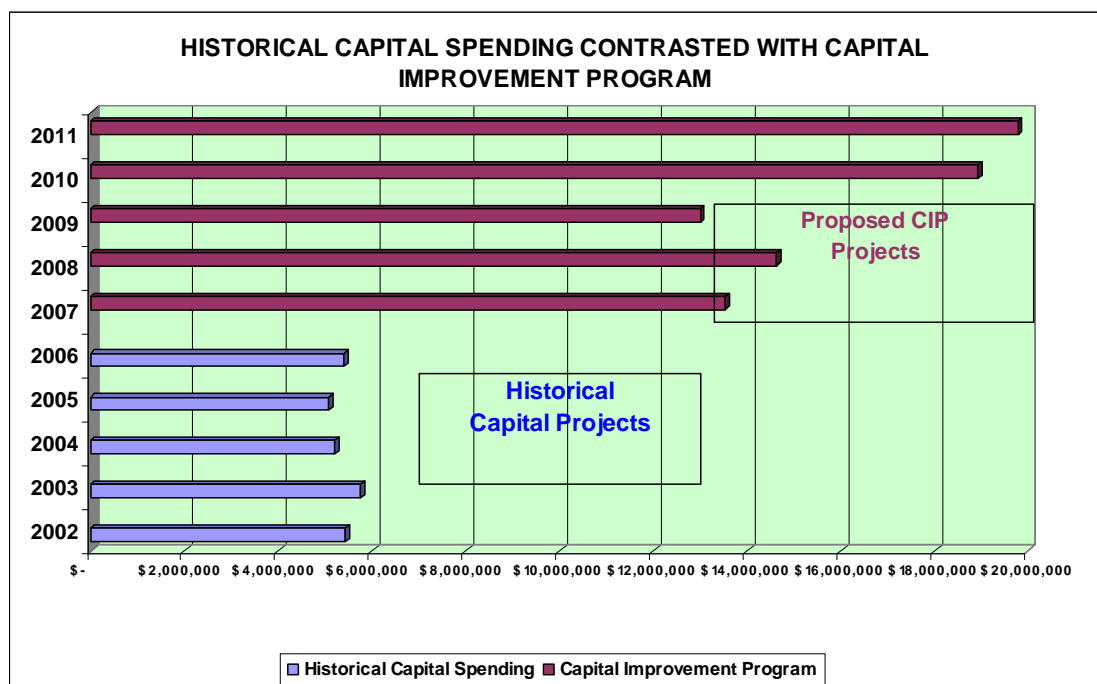
The Graph depicts the amount budgeted not the amount actually spent. The difference in capital items can be significant. The budget to actual difference is significant primarily because of the County's reserving capital money for several years to fund a project. This includes the County Road Shop, E.O.C./ Search and Rescue Building, Courthouse Remodel, Copier replacement and Voice / Data System Replacement-Enhancement.

# Gallatin County Financial Plan

The County also budgets for projects that are actually constructed over multiple years. Examples of these projects include the Courthouse remodel, Courthouse Annex purchase and Remodel, E.O.C. / Search and Rescue Building, Fair Ground improvements and Detention Center improvements.

## **CAPITAL IMPROVEMENT PROGRAM (NEXT FIVE YEARS) CONTRASTED WITH HISTORICAL CAPITAL SPENDING (PREVIOUS FIVE YEARS)**

Another indicator of Gallatin County's commitment to providing for the adequate maintenance of facilities and equipment and for their orderly replacement, is the level of projected capital spending over the next five years as compared to the previous five-year period. Shown on the next page is a graph which contrasts historical capital spending (last five years) with the capital spending identified in the Capital Improvement Program (the next five years).



Readers should be cautioned with the knowledge that Historical Capital Spending are actual expenses for the year not costs of Projects included in the CIP Program. This is significant for most years. As an example, FY 2006 shows expenditures of \$5.7 Million. The approved Capital Projects and Capital Equipment Budget was \$21 million.

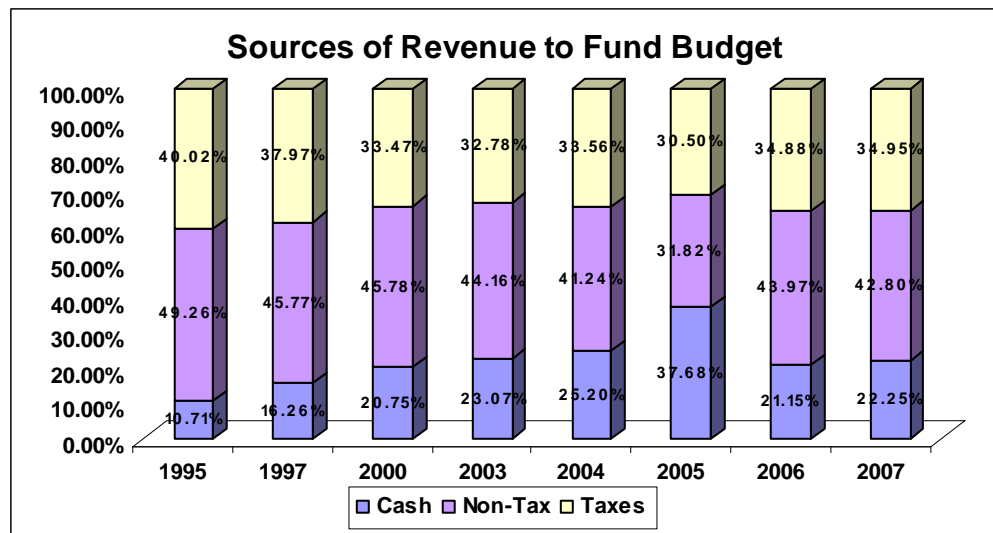
Also, readers should know that Proposed CIP Projects included above are separated into years, but the FY 07 Budget incorporated all projects from 2007 through 2011. This comes to approximately \$75,000,000.

The last area, which follows next, shows changes in Revenues over the same Fiscal Years referenced for expenditures.

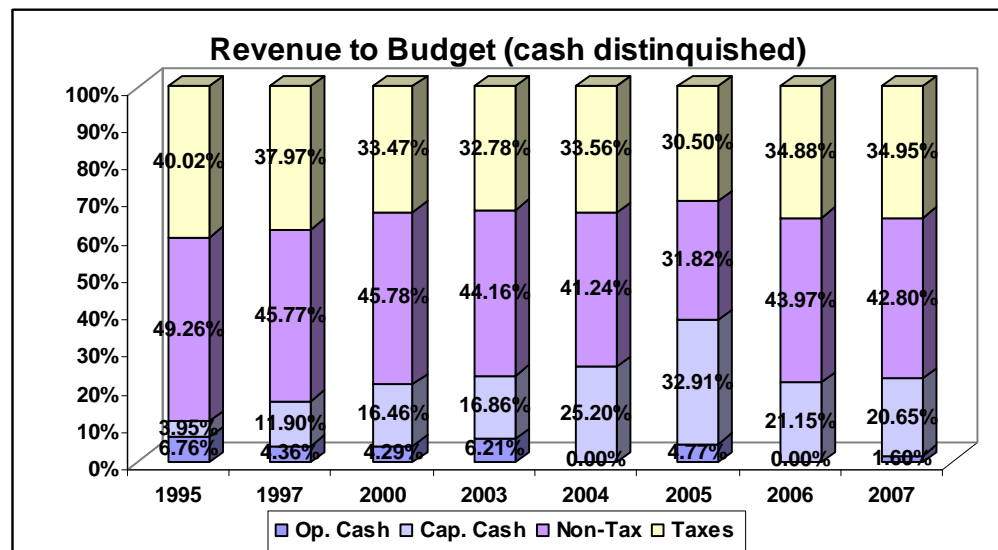
## REVENUES

The County uses 6 major funding sources (revenue sources) to fund the approved budget. The Revenue Sources are Taxes, Licenses and Permits, Intergovernmental Revenue, Fines/Forfeitures, and Interest / Other. Expenses are funded through Tax Revenues, Non-Tax Revenues and cash re-appropriated to fund the current budget.

A comparison of Revenue Sources for 1995 through 2007 Budgets show a decrease from 40.02% to 34.95% on the County's reliance on tax revenues. During this time, the County decreased Non-tax sources from 49.26% to 42.80%. The only source showing an increase is cash utilized to balance the budget, which increased from 10.71% to 22.25%. However, the majority of cash is used to fund Capital Outlay / Capital Purchases, not ongoing Operational Expenses.

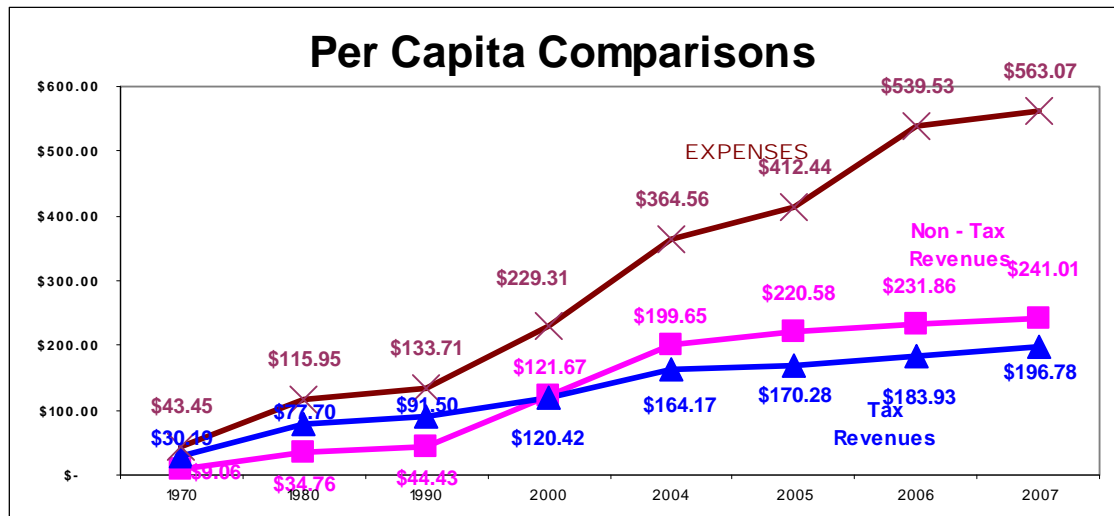


A more accurate view of Revenue Sources is shown in the graph that follows. This graph distinguishes between cash used for Operations (Op. Cash) and cash used to fund Capital (Cap. Cash). In FY 2007, cash supported 1.60% of Operating Expenses.



# Gallatin County Financial Plan

The Per Capita graph that follows has not been adjusted for inflation.



The cost per person for actual expenses in the last 36 years has increased from \$43.45 in 1970 to \$539.07 in 2006, a twelve-fold increase. The **FY 07 Budget** of \$563.07 per person could equal a 13-fold increase. However, a significant portion of the budget is for capital reserves and other activities not expected to happen in FY 07.

Actual Tax Revenues have changed from \$30.19 per person to \$183.93 during this same time, a 6-fold increase. With FY 07 taxes projected at \$196.78 the increase from 1970 is a 6.45-fold increase. Non-Tax Revenues started at \$9.06 per person and are now at \$231.86 for FY 06, with FY 07 estimated at \$241.01 per person. Resulting in a 25.59-fold increase from FY 70 to FY 06 and a 26-fold projected increase to FY 07. The 1970 through 2006 numbers are based on actual taxes, revenues and expenses, while the FY 2007 numbers come from Estimated or BUDGETED revenues and expenses. Actual expenses will be significantly lower than the \$563.07 shown for 2007 Budget. AS AN EXAMPLE: The amount budgeted for FY 2000 was \$314.15, (27% above the amount actually spent) with the amount budgeted for FY 2001 being \$344.10, (22% above the amount actually spent). Based on these calculations the actual FY 07 expenses will be between \$491 and \$549 per person.

## Mill Value INCREASED

### Gallatin County's Taxable Value increased from 1995 to the \$181,081 in FY 2007

	<u>Taxable Valuation</u>	<u>1 yr %</u>	<u>2 yr %</u>
Base Year 1995	94,965		
1996	101,149	6.51%	
1997	107,513	6.29%	13.21%
1998	112,346	4.49%	11.07%
1999	117,800	4.85%	9.57%
2000	118,618	6.94%	5.58%
2001	117,796	(.01)%	0.00%
2002	124,219	5.45%	4.72%
2003	133,587	7.54%	13.41%
2004	144,665	8.29%	16.45%
2005	154,680	6.92%	15.79%
2006	166,682	7.76%	15.21%
2007	181,081	8.63%	17.07%

The Average increase for ten years is 6.69% on a yearly basis and 11.46% on a two year basis. I will be using 5% increases in projecting tax revenues.

This completes a review of prior and current year's budget. The next section gives the reader a Summary of the County's Financial Condition, based on the information in the first two sections. The Finance Office has collected projections from available sources to validate its findings.